

Fifty-ninth
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1013

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the department of
2 public instruction, the school for the deaf, North Dakota vision services - school for the blind,
3 and the state library; to provide an appropriation to the division of independent study; to provide
4 for the distribution of special education payments; and to amend and reenact sections
5 15.1-02-01 and 15.1-02-02 of the North Dakota Century Code, relating to the qualifications and
6 the salary of the superintendent of public instruction.

7 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

8 **SECTION 1. BASE LEVEL FUNDING INFORMATION.** The amounts identified in this
9 section represent the base level funding component appropriated to the department of public
10 instruction, the school for the deaf, North Dakota vision services - school for the blind, and the
11 state library in section 3 of this Act as follows:

12 Subdivision 1.

13 DEPARTMENT OF PUBLIC INSTRUCTION

14 Salaries and wages	\$9,277,686
15 Operating expenses	13,057,823
16 Capital assets	15,000
17 Grants - State school aid	489,379,990
18 Grants - Tuition apportionment	69,495,371
19 Grants - Special education	49,898,695
20 Grants - Revenue supplement	5,000,000
21 Grants - Teacher compensation	51,854,000
22 Grants - Other grants	182,255,244
23 Reorganization bonuses	500,000
24 Data envelopment analysis	<u>50,000</u>

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1	Total all funds - Base level	\$870,783,809
2	Less estimated income - Base level	<u>266,058,803</u>
3	Total general fund - Base level	\$604,725,006
4	Subdivision 2.	
5	STATE LIBRARY	
6	Salaries and wages	\$2,078,571
7	Operating expenses	1,181,647
8	Grants	<u>1,396,807</u>
9	Total all funds - Base level	\$4,657,025
10	Less estimated income - Base level	<u>1,629,979</u>
11	Total general fund - Base level	\$3,027,046
12	Subdivision 3.	
13	SCHOOL FOR THE DEAF	
14	Salaries and wages	\$4,809,808
15	Operating expenses	1,102,160
16	Capital assets	<u>32,723</u>
17	Total all funds - Base level	\$5,944,691
18	Less estimated income - Base level	<u>871,449</u>
19	Total general fund - Base level	\$5,073,242
20	Subdivision 4.	
21	VISION SERVICES - SCHOOL FOR THE BLIND	
22	Salaries and wages	\$2,540,292
23	Operating expenses	698,683
24	Capital assets	<u>18,233</u>
25	Total all funds - Base level	\$3,257,208
26	Less estimated income - Base level	<u>1,167,383</u>
27	Total general fund - Base level	\$2,089,825
28	Total general fund - Section 1	\$614,915,119
29	Total special funds - Section 1	\$269,727,614
30	Total all funds - Section 1	\$884,642,733

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1	Salaries and wages	\$84,501
2	Operating expenses	275,105
3	Capital assets	<u>246,772</u>
4	Total all funds - Adjustments/enhancements	\$606,378
5	Less estimated income - Adjustments/enhancements	<u>330,918</u>
6	Total general fund - Adjustments/enhancements	\$275,460

7 Subdivision 4.

8 VISION SERVICES - SCHOOL FOR THE BLIND

9	Salaries and wages	\$128,781
10	Operating expenses	(91,377)
11	Capital assets	<u>49,237</u>
12	Total all funds - Adjustments/enhancements	\$86,641
13	Less estimated income - Adjustments/enhancements	<u>(323,317)</u>
14	Total general fund - Adjustments/enhancements	\$409,958
15	Total general fund - Section 2	\$24,327,983
16	Total special funds - Section 2	\$29,828,147
17	Total all funds - Section 2	\$54,156,130

18 **SECTION 3. APPROPRIATION.** The funds provided in this section, or so much of the
19 funds as may be necessary, are appropriated out of any moneys in the general fund in the state
20 treasury, not otherwise appropriated, and from special funds derived from federal funds and
21 other income, to the department of public instruction, the school for the deaf, North Dakota
22 vision services - school for the blind, and the state library for the purpose of defraying the
23 expenses of those agencies, for the biennium beginning July 1, 2005, and ending June 30,
24 2007, as follows:

25 Subdivision 1.

26 DEPARTMENT OF PUBLIC INSTRUCTION

27	Salaries and wages	\$10,020,282
28	Operating expenses	15,167,308
29	Grants - State school aid	510,853,759
30	Grants - Tuition apportionment	71,600,000
31	Grants - Special education	52,500,000

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1	Grants - Revenue supplement	5,000,000
2	Grants - Teacher compensation	50,912,120
3	Grants - Other grants	207,659,083
4	National board certification	<u>40,000</u>
5	Total all funds	\$923,752,552
6	Less estimated income	<u>295,851,781</u>
7	Total general fund appropriation	\$627,900,771
8	Subdivision 2.	
9		
	STATE LIBRARY	
10	Salaries and wages	\$2,217,121
11	Operating expenses	1,381,772
12	Grants	<u>1,552,500</u>
13	Total all funds	\$5,151,393
14	Less estimated income	<u>1,657,547</u>
15	Total general fund appropriation	\$3,493,846
16	Subdivision 3.	
17		
	SCHOOL FOR THE DEAF	
18	Salaries and wages	\$4,894,309
19	Operating expenses	1,377,265
20	Capital assets	<u>279,495</u>
21	Total all funds	\$6,551,069
22	Less estimated income	<u>1,202,367</u>
23	Total general fund appropriation	\$5,348,702
24	Subdivision 4.	
25		
	VISION SERVICES - SCHOOL FOR THE BLIND	
26	Salaries and wages	\$2,669,073
27	Operating expenses	607,306
28	Capital assets	<u>67,470</u>
29	Total all funds	\$3,343,849
30	Less estimated income	<u>844,066</u>
31	Total general fund appropriation	\$2,499,783

1 **SECTION 4. APPROPRIATION.** There is appropriated out of any moneys in the
2 general fund in the state treasury, not otherwise appropriated, the sum of \$148,800, or so much
3 of the sum as may be necessary, to the division of independent study for the purpose of
4 developing, publishing, and distributing a North Dakota studies textbook and workbook for both
5 grades four and eight, for the biennium beginning July 1, 2005, and ending June 30, 2007.

6	Grand total general fund appropriation - H.B. 1013	\$639,391,902
7	Grand total special funds appropriation - H.B. 1013	\$299,555,761
8	Grand total all funds appropriation - H.B. 1013	\$938,947,663

9 **SECTION 5. APPROPRIATION - TUITION APPORTIONMENT.** The sum of
10 \$71,600,000, included in the grants - tuition apportionment line item in subdivision 1 of
11 section 3 of this Act, is from the state tuition fund in the state treasury. Any additional amount
12 in the state tuition fund that becomes available for distribution to public schools is appropriated
13 to the department of public instruction for that purpose for the biennium beginning July 1, 2005,
14 and ending June 30, 2007.

15 **SECTION 6. STATE SCHOOL AID AND SPECIAL EDUCATION EXPENDITURE**

16 **AUTHORITY.** The superintendent of public instruction may expend funds included in the
17 grants - state school aid and grants - special education line items in subdivision 1 of section 3
18 of this Act in payment of grants for educational services that were due in the 2003-05 biennium
19 but which were not filed, claimed, or properly supported by the education provider until after
20 June 30, 2005.

21 **SECTION 7. DISTRIBUTION OF SPECIAL EDUCATION AID.** The sum of
22 \$52,500,000, included in the grants - special education line item in subdivision 1 of section 3 of
23 this Act, must be distributed as follows:

- 24 1. Fifteen million five hundred thousand dollars to reimburse school districts or
25 special education units for excess costs incurred relating to contracts for students
26 with disabilities.
- 27 2. Four hundred thousand dollars to reimburse school districts or special education
28 units for gifted and talented programs upon the submission of an application that is
29 approved in accordance with guidelines adopted by the superintendent of public
30 instruction. The superintendent of public instruction shall encourage cooperative

1 efforts for gifted and talented programs among school districts and special
2 education units.

3 3. Any amount remaining in the line item must be distributed on a per student basis
4 as required by section 15.1-27-10, excluding reimbursements for student contracts
5 and gifted and talented programs. State special education payments distributed as
6 required by section 15.1-27-10 must be reduced by the amount of matching funds
7 required to be paid by school districts or special education units for students
8 participating in the medicaid program. Special education funds equal to the
9 amount of the matching funds required to be paid by the school district or special
10 education unit must be paid by the superintendent of public instruction to the
11 department of human services on behalf of the school district or unit.

12 **SECTION 8. PAYMENTS FOR LIMITED ENGLISH PROFICIENT STUDENTS.**

13 Payments to school districts educating limited English proficient students, as provided in
14 section 15.1-27-12, must be made by the superintendent of public instruction during the
15 biennium beginning July 1, 2005, and ending June 30, 2007, using up to \$650,000 of the
16 amount included in the grants - state school aid line item in subdivision 1 of section 3 of this
17 Act.

18 **SECTION 9. INDIRECT COST ALLOCATION.** Notwithstanding section 54-44.1-15,

19 the department of public instruction may deposit indirect cost recoveries in its operating
20 account.

21 **SECTION 10. DISPLACED HOMEMAKER FUND.** The sum of \$253,646, included in

22 the estimated income line item in subdivision 1 of section 3 of this Act, is from the displaced
23 homemaker fund and must be used by the superintendent of public instruction for the purpose
24 of providing services for displaced homemakers, as provided in chapter 14-06.1, during the
25 biennium beginning July 1, 2005, and ending June 30, 2007.

26 **SECTION 11. STATE AID TO PUBLIC LIBRARIES.** The line item entitled grants in

27 subdivision 2 of section 3 of this Act includes \$1,000,000 for aid to public libraries, of which no
28 more than one-half is to be expended during the fiscal year ending June 30, 2006.

29 **SECTION 12. FEES DEPOSITED IN VISION SERVICES - SCHOOL FOR THE BLIND**

30 **OPERATING FUND.** Any moneys included in the estimated income line item in subdivision 4
31 of section 3 of this Act, collected for subscription fees or braille fees, must be deposited in the

1 North Dakota vision services - school for the blind operating fund in the state treasury and may
2 be spent subject to appropriation by the legislative assembly.

3 **SECTION 13. AMENDMENT.** Section 15.1-02-01 of the North Dakota Century Code is
4 amended and reenacted as follows:

5 **15.1-02-01. Superintendent of public instruction - Qualifications.** The qualified
6 electors of this state shall elect a superintendent of public instruction at the appropriate general
7 election. The superintendent must be at least twenty-five years of age on the day of the
8 election; and have the qualifications of an elector for that office; ~~and hold a valid North Dakota~~
9 ~~professional teaching license on the day of the election and at all times during the~~
10 ~~superintendent's term of office.~~

11 **SECTION 14. AMENDMENT.** Section 15.1-02-02 of the North Dakota Century Code is
12 amended and reenacted as follows:

13 **15.1-02-02. Salary.** The annual salary of the superintendent of public instruction is
14 ~~sixty-nine~~ seventy-nine thousand ~~six~~ seven hundred ~~forty-eight~~ fifty-seven dollars through
15 ~~December 31, 2004~~ June 30, 2006, ~~seventy-five~~ eighty-two thousand nine hundred ~~sixteen~~
16 ~~forty-seven~~ dollars through ~~June 30, 2002~~, and ~~seventy-seven thousand four hundred~~
17 ~~thirty-four~~ dollars thereafter.